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SUBJECT: NANJING TAIWAN EXPERT COMMENTS ON TAIPEI POLITICS, MAINLAND

OUTREACH EFFORTS

REF: 08 SHANGHAI 352

CLASSIFIED BY: Simon Schuchat, Deputy Principal Officer, U.S.

Consulate General, Shanghai, Department of State.

REASON: 1.4 (b), (d)

11. (C) Summary: U.S.-China relations have become more stable and "mature" in the view of the head of Nanjing University's Taiwan Research Institute. This fact allows for more "space" to address problems than in the past. The decision of Taiwan President Ma Ying-jeou to become KMT Chairman was "painful" but necessary to ensure passage of Ma's legislative program, the academic believed. Beijing recognizes the need to reach out to Taiwan's opposition and other constituencies on the island who have not yet benefited directly from improved cross-Strait ties in order to stabilize the relationship with Taiwan. The academic characterized Taiwan analyses of the Mainland as lacking objectivity and overly focused on negative phenomena. End summary.

U.S.-China Relations "Mature"

12. (C) U.S.-China relations are "mature," and both sides are clear as to each other's positions, according to Nanjing University Taiwan Studies Institute Director Cui Zhiqing (reftel). Meeting with Shanghai Deputy Principal Officer June 19, Cui stressed economic interests now form the basis of U.S.-China ties, and this fact has give stability to the relationship. Consequently, the United States and China have been more able to come to agreement on issues of common concern such as North Korea's nuclear program even though they continue to hold different ideas on how best to address the issue. Overall, there is more "space" in the U.S.-China relationship for dealing with problems.

Ma Ying-jeou Faces "Painful" Choice on Party Chairmanship

13. (C) Cui labeled the decision by Taiwan President Ma Ying-jeou to run for the chairmanship of the KMT as a "painful choice." Although Ma has worked to separate himself from partisan party politics and to present himself as the leader of all the people on Taiwan, he needs also to be able to control the KMT members of the Legislative Yuan (LY) in order to ensure approval of his policy program. Consequently, in Cui's view, Ma decided to assume the party chairmanship despite the criticism such a move would inevitably draw from the opposition Democratic

Progressive Party. Cui also noted that once he becomes KMT chairman, Ma will no longer be able to avoid responsibility for whatever policy emerges from the highly partisan LY. One of Ma's political advantages has been that he has been able to keep himself relatively "clean," Cui observed, but that also means he has no friends to whom he can turn to run the KMT on his behalf. What Ma does have, however, is great self-confidence, which, Cui felt, has served him well.

Mainland Outreach to Opposition, Disadvantaged Groups

- ¶4. (C) According to Cui, the Mainland authorities are hoping to strengthen their ties to the Democratic Progressive Party and those elements in Taiwan who have traditionally supported the DPP. He recounted a recent conference in Nanjing which had included some Taiwan opposition representatives and noted views between the Taiwan and Mainland attendees had not been as far apart as expected. Cui stressed that Mainland policy toward Taiwan in the past had been basically passive because Beijing felt it was too weak to influence the course of events on Taiwan. Now, greater confidence in its own capabilities along with increased interdependence between the United States and China has increased the space for Mainland policymakers to be more proactive.
- 15. (C) Beijing is looking for ways to increase mutual confidence across the Strait step-by-step, Cui stated. Mainland consideration of a higher profile for Taiwan in APEC and Taiwan liberalization of Mainland investment were both signs of this growing confidence. Fundamentally, Beijing wants to avoid a political collapse in Taiwan. Meanwhile, Ma Ying-jeou would like greater cooperation from the Mainland on the economic front. Cui added the Mainland leadership realizes

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liberalization in the cross-Strait economic relationship to date has largely not benefited the poorer elements of Taiwan society, many of whom are supporters of the DPP. So far, Beijing has focused on the business elite, for whom the Mainland represents more of an opportunity than a threat. For its part, however, the DPP remains excessively wedded to mass demonstrations as a political tactic. "They are like the revolutionary rebels in the Cultural Revolution," Cui stated. Considering the DPP's weaknesses, Cui was confident Ma Ying-jeou would be able to win another term as president in 2012.

Taiwan Experts Condescending of Mainland

16. (C) Cui evaluated Taiwan's analysis of Mainland policies, characterizing most Taiwan observers as having a rigid, often arrogant point of view. In the late 1980s and early 1990s, the prevailing view of the Mainland on Taiwan was that the CCP regime would collapse, particularly following the 1989 Democracy Movement. In the later years of former CCP General Secretary Jiang Zemin's tenure, Taiwan scholars were less convinced of the fragility of the Communist Party regime but nevertheless believed it would mishandle challenges like the return of Hong Kong to Chinese sovereignty in 1997. In general, Cui remarked, Taiwan analyses of the situation on the Mainland have overemphasized negative phenomena. Mainland academics may not write as much about these negative phenomena but they are fully aware of them, and factor them into their analyses. Although Taiwan analysts have become somewhat more objective over time, they still tend, in Cui's view, to misunderstand developments on the mainland. Furthermore, they focus on Taiwan's own narrowly defined interests in the relationship with the Mainland rather than the larger picture, including broader common interests.

Comment

17. (C) If Cui is right that Beijing policymakers are more conscious of the need to win over those segments of Taiwan society that do not benefit directly from improved cross-Strait

ties, it will be interesting to see the extent to which this actually plays out in terms of concrete action. CAMP